

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6324

BILL NUMBER: HB 1703

NOTE PREPARED: Feb 19, 2009

BILL AMENDED:

SUBJECT: Interlocal Agreements Concerning Courts.

FIRST AUTHOR: Rep. Saunders

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill allows a city or town that has not established a city or town court or an ordinance violations bureau to enter into an interlocal agreement with a city, town, or other municipal corporation that has established: (1) a city or town court; or (2) an ordinance violations bureau; to hear and dispose of cases that would otherwise come under the jurisdiction of a city or town court or an ordinance violations bureau established by the city or town.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues: The bill would result in a potential revenue loss to the state General Fund. City and town courts have limited jurisdiction in court matters. Infractions, ordinance violations, and misdemeanors are permitted to be filed in both types of courts. Town courts have no jurisdiction on civil matters. The civil jurisdiction of city courts is extremely limited. City courts have civil jurisdiction over cases where the amount being contested is less than \$500, but not over cases involving slander, libel, real estate and probate related matters. The civil jurisdiction of city courts in Lake County have a limit of \$3,000.

For each case shifted from a trial court to a city or town court, the state General Fund would lose either \$10.50, \$15, or \$18, depending on the type of case shifted.

The following shows the share of court fees that the state receives, depending on whether the case is a criminal case, infraction or ordinance violations case, or civil case.

State General Fund Revenue Loss For Each Case Shifted From Trial Court To City or Town Court				
	Fee	Trial Courts (70%)	City and Town Courts (55%)	Revenue Loss
Misdemeanors and Miscellaneous Criminal	\$120	\$84	\$66.00	(\$18.00)
Infractions and Ordinance Violations	\$70	\$49	\$38.50	(\$10.50)
Civil Cases	\$100	\$70	\$55.00	(\$15.00)

In 2007 city and town courts disposed of 318,723 cases, of which 312,949, or 98%, were either misdemeanors, infractions, or ordinance violations.

Cases Disposed in City and Town Courts in CY 2007		
	Cases	Percentage
Misdemeanors Miscellaneous Criminal	41,112	13%
Infractions and Ordinance Violations	271,837	85%
Civil Cases	<u>5,774</u>	<u>2%</u>
	318,723	100%

Explanation of Local Expenditures:

Explanation of Local Revenues: Local units of government would gain either \$10.50, \$15, or \$18 per case, depending on the type of case shifted.

Local Revenue Gain For Each Case Shifted From Trial Court To City or Town Court				
	Fee	Trial Courts (30%)	City and Town Courts (45%)	Revenue Gain
Misdemeanors and Miscellaneous Criminal	\$120.00	\$36.00	\$54.00	\$18.00
Infractions and Ordinance Violations	\$70.00	\$21.00	\$31.50	\$10.50
Civil	\$100.00	\$30.00	\$45.00	\$15.00

State Agencies Affected:

Local Agencies Affected: As of December 2007, 46 city courts and 28 town courts operated in Indiana.

Information Sources: 2007 Indiana Judicial Report.

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